

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

AIR QUALITY CONSTRUCTION PERMIT

Permit No. 065CP01

Application Number X-137

The Department of Environmental Conservation (the Department), under the authority of AS 46.14 and 18 AAC 50, issues a construction permit to the Permittee, **Union Oil Company of California**, for **Revisions to AQC Permit No. 9623-AA008** at the **Dillon Platform** to authorize operational flexibility – fuel sources.

This permit satisfies the obligation of the owner and operator to obtain a construction permit as set out in AS 46.14.130(a).

As required by AS 46.14.120(c), the Permittee shall comply with the terms and conditions of this construction permit.

As set out in 18 AAC 50.340(i), this construction permit revises terms and conditions of Air Quality Control Permit to Operate No. 9623-AA008, dated December 17, 1996.

[18 AAC 50.320(b), 1/18/97]

John F. Kuterbach, Manager
Air Permits Program

Date

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Section 1 *List of Abbreviations Used in this Permit*

AAC	Alaska Administrative Code
ADEC	Alaska Department of Environmental Conservation
AS	Alaska Statutes
ASTM	American Society for Testing and Materials
CEMS	Continuous Emission Monitoring System
C.F.R.	Code of Federal Regulations
CO	Carbon Monoxide
COMS	Continuous Opacity Monitoring System
dscf	Dry standard cubic feet
EPA	US Environmental Protection Agency
gr/dscf	grain per dry standard cubic feet (1 pound = 7000 grains)
GPH	gallons per hour
HAPS	Hazardous Air Pollutants
.....	[hazardous air contaminants as defined in AS 46.14.990(14)]
H ₂ S	Hydrogen Sulfide
HHV	Higher heating value
ID	Source Identification Number
kW	kilowatts
MACT	Maximum Achievable Control Technology
Mlb	thousand pounds
MMBtu	dscf x HHV
NAICS	North American Industry Classification System
NESHAPs	Federal National Emission Standards for Hazardous Air Pollutants
.....	[as defined in 40 CFR 61]
NSPS	Federal New Source Performance Standards [as defined in 40 CFR 60]
NO _x	Oxides of Nitrogen
PPM	Parts per million
PPMV	Parts per million volume
PS	Performance specification
PSD	Prevention of Significant Deterioration
RM	Reference Method
SIC	Standard Industrial Classification
SO ₂	Sulfur dioxide
TPH	Tons per hour
TPY	Tons per year
VOC	volatile organic compound [as defined in 18 AAC 50.990(103)]
Wt%	weight percent

Section 2 Identification**Names and Addresses**

Permittee: Union Oil Company of California, dba Unocal
909 West 9th Avenue, P.O. Box 196247
Anchorage, Alaska 99519-6247

Facility: Dillon Platform

Location: 60° 44' 08" N, 151° 31' 45" W

Physical Address: Upper Cook Inlet-Alaska

Owner and Operator Union Oil Company of California
909 West 9th Avenue, P.O. Box 196247
Anchorage, Alaska 99519-6247

Permittee's Responsible Official Dale A. Haines
Alaska Operations Manager
Unocal
P.O. Box 196247
Anchorage, Alaska 99519-6247
Phone: (907) 263-7951
Fax: (907) 263-7874

Designated Agent: CT Corporation
801 West 10th Street, Suite 300
Juneau, Alaska 99801

Facility and Building Contact: Steve Meyer
Platform Foreman
Phone: (907) 776-6680
Fax: (907) 776-6685

Fee Contact: Janet Bounds
Senior Environmental Scientist
Unocal
P.O. Box 196247
Anchorage, Alaska 99519-6247
Phone: (907) 263-7685
Fax: (907) 263-7901

SIC Code of the Facility: 1311: Crude Petroleum and Natural Gas Production
NAICS Code: 211111

[18 AAC 50.320(a), 1/18/97]

Section 3 *Emission Information and Classification*

Emissions of Regulated Air Contaminants, as provided in Permittee's application:

Oxides of Nitrogen (NO_x), Sulfur Dioxide (SO₂), Carbon Monoxide (CO), Particulate Matter, and Volatile Organic Compounds (VOC).

Construction Permit Classifications:

Note: Facility Classifications are described under 18 AAC 50.300(b) through (g), modification classifications are described under 18 AAC 50.300(h), and owner requested limits are described under 305(a)(1) through (4).

The Revisions to AQC Permit No. 9623-AA008 require a construction permit because:

- a. The facility is classified as:
 - i. an Ambient Air Quality Facility under 18 AAC 50.300(b)(2), as the facility contains sources with a rated capacity of 100 MM Btu/hr or more, and
 - ii. a Prevention of Significant Deterioration (PSD) Major Facility under 18 AAC 50.300(c)(1), as the facility has a potential to emit more than 250 tons per year of NO_x and CO; and
- b. The Permittee has requested that certain permit terms and conditions of Permit No. 9623-AA008 be revised under 18 AAC 50.305(a)(3).

[18 AAC 50.320(a)(2), 1/18/97]

Section 4 *Permit Continuity*

1. Except as revised or rescinded herein or as superseded by an Air Quality Permit issued under AS 46.14.170, the Permittee shall comply with terms and conditions of Air Quality Control Permit to Operate No. 9623-AA008, issued December 17, 1996.
2. If permit terms and conditions listed in this permit conflict with those of Permit No. 9623-AA008, the Permittee shall comply with terms and conditions listed herein.

Revisions to AQC Permit No. 9623-AA008

3. Conditions 4, 5, 19, 20 and 23 from AQC Permit No. 9623-AA008 are revised as follows.

Revised Condition 4

4. Permittee shall fire Source No. 1 only with formation gas, ~~natural-fuel~~ gas from the Baker Platform or the Cook Inlet Gas Gathering System (CIGGS). Testing for H₂S in any fuel gas source shall continue as required by Condition 19.

Revised Condition 5

5. Permittee shall fire Sources No. 2-12 and 27 only with formation gas or ~~natural fuel~~ gas from the Baker Platform, the CIGGS, and/or the Dillon Platform. Testing for H₂S in any fuel gas source shall continue as required by Conditions 20 and 23.

Revised Condition 19

19. If a fuel gas source other than Baker Platform or CIGGS gas is used, Permittee shall analyze for the ~~hydrogen-sulfide~~-H₂S concentration in the fuel gas burned on a weekly basis in accordance with the methods in Exhibit C.

Revised Condition 20

20. Permittee shall on a quarterly basis, sample and test the Baker Platform and/or CIGGS gas using ASTM Method D 4810-88, ASTM Method D 4913-89, or Gas Producer's Association test method 2377-86 (length-of-stain), for hydrogen-sulfide H₂S concentration. The H₂S concentration of each fuel used during the reporting period shall be included in the Facility Operating Report.

Revised Exhibit C

Fuel Gas – H₂S – Monitor as specified in Conditions 19 and 20 ~~QUARTERLY~~ using ASTM Method D 4810-88, ASTM Method D 4913-89, or Gas Producer's Association test method 2377-86. ~~Dräger tube analysis~~

Revised Exhibit D

3. FUEL SULFUR CONTENT
Fuel Gas

hydrogen sulfide content of the fuel gas in ppm, using the test methods specified in Exhibit C ~~Draeger Tube analysis~~, including monthly max., min., and avg. if the testing was conducted under the requirements of Condition 19.

Section 5 *Permit Documentation*

September 25, 2001 Letter from Martin T. Morell (Unocal) to Jim Baumgartner (ADEC). Request for revisions to AQC Permit to Operate 9623-AA008 Dillon Platform, Cook Inlet.

January 4, 2002 Letter from Martin T. Morell (Unocal) to Tom Chapple (ADEC). Request for Administrative Revision. Dillon Platform.

June 20, 2002 Letter from Jim Baumgartner (ADEC) to Marten T. Morell (Unocal). Preliminary Permit Decision.

July 11, 2002 Letter from Daniel Bevington (Kenai Peninsula Borough) to Jim Baumgartner (ADEC). Comments on Preliminary Permit Decision.

July 29, 2002 Letter from Janet Bounds (Unocal) to Jim Baumgartner (ADEC). Comments on Preliminary Permit Decision.

August 1, 2002 Letter from Jim Baumgartner (ADEC) to Dale A Haines. Proposed Final Consistency Determination. Response to Comments.